CITY OF ALBUQUERQUE

ALBUQUERQUE, NEW MEXICO PURCHASING DEPARTMENT

INTER-OFFICE CORRESPONDENCE

REF. NO.: SPD2006-074-SB

MASTER RESOLUTION

MARCH 24, 2006

TO:

JOHN J. VIGIL, ACTING PURCHASING OFFICER

FROM:

SUZANNE BOEHLAND, SENIOR BUYER

SUBJECT:

SCHWARZE A8000 SWEEPER

DEPARTMENT: VARIOUS

PURSUANT TO THE AUTHORITY CONTAINED IN SECTION 5-5-10-G-1-A-3 AND APPROVAL PROCEDURES OUTLINED IN SECTION 19-C OF THE PUBLIC PURCHASES ORDINANCE, AUTHORIZATION IS HEREBY REQUESTED FOR THE FOLLOWING:

DESCRIPTION

AMOUNT

INITIATING REQUISITION IS P40846 FOR \$159,615.00 FROM THE MUNICIPAL DEVELOPMENT DEPARTMENT, STREETS MAINTENANCE DIVISION.

SCHWARZE A8000 STREET SWEEPER

VENDOR:

SCHWARZE INDUSTRIES ATTN: RAYMOND MASSEY 1055 JORDAN ROAD HUNTSVILLE, AL 35881 (800) 879-7933 X.1140

UNDER H-GAC CONTRACT NO. SW04-04

EFFECTIVE 5/1/2004 THROUGH 3/31/2006. THIS RESOLUTION IS EXTENDABLE AS THE HGAC CONTRACT EXTENDS....

JUSTIFICATION: SCHWARZE INDUSTRIES HAS BEEN AWARDED THE ABOVE MENTIONED HGAC CONTRACT. ELLEN EQUIPMENT WILL HANDLE LOCAL SETUP AND WARRANTY ISSUES OF EQUIPMENT.

APPROVED:

ACTING PURCHASING OFFICER

Sweepers-Street, Airport Runway & Commercial Industrial

Page 1 of 10

Sweepers-Street, Airport Runway & Commercial Industrial

A CONTRACT BETWEEN

HOUSTON-GALVESTON AREA COUNCIL Houston, Texas

AND

Schwarze Industries, Inc. Huntsville, Alabama

This Contract, is made and entered into by the Houston-Galveston Aren Council of Governments, hereinafter referred to as H-GAC, having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027, AND Schwarze Industries, Inc., hereinafter referred to as the CONTRACTOR, having its principal place of business at 1055 Jordan Road, Huntsville, Alabama 35811.

WITNESSETH

WHEREAS: The H-GAC enters into this Contract as Agent for participating governmental agencies, hereinafter referred to as END USER, for the purchase of Sweepers-Street, Airport Rusway & Commercial Industrial offered by the CONTRACTOR; and

WHEREAS: The CONTRACTOR offers to sell Sweepers-Street, Airport Runway & Commercial Industrial through the H-GAC Contract to END USERS and;

WHEREAS: The parties have entered into an Sweepers-Street, Airport Runway & Commercial Industrial Contract to become effective as of April 1, 2004, through March 31, 2006 (the "Contract"), subject to extension upon mutual agreement of the CONTRACTOR and H-GAC; and now

THEREFORE: H-GAC and the CONTRACTOR, do hereby agree as follows:

GENERAL PROVISION ARTICLES 1 - 23

ARTICLE 1:

IDENTIFICATION OF CONTRACT DOCUMENTS

The Contract shall be in effect for Sweepers-Street, Airport Runway & Commercial Industrial listed in Bid Specifications numbered SW04-04, Including any relevant suffixes, and shall consist of the documents identified below in order

- The text of this Contract form, including, but not limited to. Attachment A 1.
- 2. Terms and Conditions
- 3. Bid Specifications No.: 5W04-04
- CONTRACTOR'S Response to Bid No.: SW04-04

The terms and conditions, specifications, manufacture, delivery, warranty, training and service for H-GAC and the END USER shall be fulfilled in compliance with this Contract including, but not limited to Bid Specifications, Terms and Conditions, any Attachment, and CONTRACTOR'S response opened Pebruary 5, 2004, unless specifically changed within the text of this Contract Form.

ARTICLE 2:

LEGAL AUTHORITY

CONTRACTOR and H-GAC warrant and assure one another that they have adequate legal counsel and authority to enter into this Contract. The governing bodies, where applicable, have authorized the signatory officials to enter into this Contract and bind both parties to the terms of this Contract and any subsequent smeadments thereto.

ARTICLE 3:

APPLICABLE LAWS

Both parties agree to conduct all activities under this Contract in accordance with all applicable rules, regulations, directives, issuances and ordinances, and laws in effect or promulgated during the term of this Contract CONTRACTOR agrees to conduct all activities under this Contract in accordance with all applicable rules, regulations, directives, standards, ordinances and laws in effect or promulgated during the term of this Contract.

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Page 2 of 10

ARTICLE 4:

INDEPENDENT CONTRACTOR

The execution of this Contract and the rendering of services prescribed by this Contract do not change the independent stame of H-GAC or CONTRACTOR. No provision of this Contract or act of H-GAC in performance of this Contract shall be construed as making CONTRACTOR the agent, servant or employee of H-GAC, the State of Texas or the United States Government. Employees of CONTRACTOR are subject to the exclusive control and supervision of CONTRACTOR. CONTRACTOR is solely responsible for employee payrolls and claims arising therefrom.

CONTRACTOR shall notify H-GAC of any lawsuits filed against it which involves products sold pursuant to this Contract, or which, if successful, would adversely affect its financial condition. A lawsuit, that includes a specific demand for an amount in excess of \$250,000 and would not be covered by insurance, shall automatically be considered a lawsuit, which, if successful, would adversely affect the financial condition of the sund party.

ARTICLE 5:

TITLES NOT RESTRICTIVE

The titles assigned to the various articles of this Contract are for convenience only and are generally descriptive of the matters following. Titles shall not be considered restrictive of the subject matter of any section, or part of this Contract.

ARTICLE 6:

SUBCONTRACTS

CONTRACTOR agrees not to subcontract, assign, transfer, convey, sublet or otherwise dispose of this Agreement or any right, title, obligation or interest it may have therein to any third party without prior notice to H-GAC. H-GAC reserves the right to accept of reject any of the afexementioned changes to the contract.

CONTRACTOR acknowledges that H-GAC is not liable to any CONTRACTOR'S Subcontractor.

CONTRACTOR shall ensure that the performance rendered under all subcontracts shall result in compliance with all the terms and provisions of this Contract as if the performance rendered were rendered by CONTRACTOR.

ARTICLE 7: EXAMINATION AND RETENTION OF CONTRACTOR'S RECORDS

CONTRACTOR shall maintain during the course of its work, complete and accurate records of all CONTRACTOR'S costs and documentation of items that are chargeable to END USER under this Contract. H-GAC, through its staff or its designated public accounting farm, the State of Texas, or the United States Government shall have the right at any reasonable time to inspect, copy and audit those records on or off the premises of CONTRACTOR. Failure to provide access to records may be cause for termination of this Contract.

CONTRACTOR shall maintain all records pertinent to this Contract for a period of not less than five (5) calendar years from the date of acceptance of the final contract clossout and until any outstanding litigation, audit or claim has been recolved. The right of access to records is not limited to the required resention period, but shall last as long as the records are retained.

CONTRACTOR further agrees to include in all subcontracts under this Contract, a provision to the effect that the subcontractor agrees that H-GAC'S duly authorized representatives, shall, until the expiration of five (5) calcular years after final payment under the subcontract or until all audit findings have been resolved, have access to, and the right to examine and copy my directly pertinent books, documents, papers, invoices and records of such subcontractor involving any transaction relating to the subcontract.

ARTICLE 8:

CHANGES AND AMENDMENTS

Any alterations, additions, or deletions to the terms of this Contract which are required by changes in federal or state law or regulations are automatically incorporated into this Contract without written amendment hereto, and shall become effective on the date designated by such law or regulation; provided that if CONTRACTOR does not legally comply with such change, H-GAC or CONTRACTOR may terminate the contract as authorized by Article 18.

H-GAC may, from time to time, require changes in the scope of the services of CONTRACTOR to be performed hereunder. Such changes that are mutually agreed upon in writing by and between H-GAC and CONTRACTOR shall be incorporated into this Contract.

ARTICLE 9:

DISPUTES

Any and all disputes concerning questions of fact or of law arising under this Contract, which are not disposed of by agreement, shall be decided by the Executive Director of H-GAC or his designee, who shall reduce his decision to writing and provide notice thereof to CONTRACTOR. The decision of the Executive Director or his designee shall be final and conclusive unless, within thirty (30) days from the date of receipt of such notice, CONTRACTOR requests a rehearing from the Executive

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Page 3 of 10

Director of H-GAC. In connection with any rehearing under this Article, CONTRACTOR shall be afforded an opportunity to be heard and offer evidence in support of its position. The decision of the Executive Director after any such rehearing shall be final and conclusive. CONTRACTOR may, if it elects to do so, appeal the final and conclusive decision of the Executive Director to a count of competent jurisdiction. Pending final decision of a dispute horounder, CONTRACTOR shall proceed diligantly with the performance of this Contract and in accordance with H-GAC'S final decision.

ARTICLE 10:

SEVERABILITY

All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

ARTICLE 11:

FORCE MAJEURE

To the extent that either party to this Contract shall be wholly or partially prevented from the performance of any obligation or duty placed on such party by reason of, or through strikes, stoppage of labor, rior, fire, flood, acts of war, insurrection, accident, order of any court, act of God, or specific cause reasonably beyond the party's control and not attributable to its neglect or nonfessance, in such event, the time for the performance of such obligation or duty shall be suspended until such disability to perform is removed. Determination of force majoure shall rest solely with H-GAC. Such determination is not to be unreasonably withheld.

ARTICLE 12:

NON-DISCRIMINATION AND EQUAL OPPORTUNITY

CONTRACTOR agrees to comply with all federal statutes relating to neudiscrimination. These include but are not limited to; (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicaps and the Americans with Disabilities Act of 1990; (d) the Age Discrimination Act of 1974, as amended (42 U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention. Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to the nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ce-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (f) any other nondiscrimination provisions in any specific statute(s) applicable to any Federal funding for this Contract; and (j) the requirements of any other nondiscrimination statute(s) which many apply to this Contract.

ARTICLE 13: CIVIL AND CRIMINAL PROVISIONS AND SANCTIONS

CONTRACTOR agrees that it will perform under this Contract in conformance with safeguards against fraud and abuse as set forth by the H-GAC, the State of Texas, and the acts and regulations of any funding entity. CONTRACTOR agrees to promptly notify H-GAC of any suspected fraud, abuse or other criminal activity through filing of a written report within twenty-four (24) hours of knowledge thereof. CONTRACTOR shall notify H-GAC of any accident or incident requiring modical attention origing from its activities under this Contract within twenty-four (24) hours of such occurrence. Theft or willrud damage to property on loan to CONTRACTOR from H-GAC, if any, shall be reported to local law enforcement agencies and H-GAC within two (2) hours of discovery of any such act.

CONTRACTOR further agrees to cooperate fully with H-GAC, local law enforcement agencies, the State of Texas, the Federal Bureau of Investigation and any other duly authorized investigative unit responsible for carrying out a full investigation of any such accidents.

ARTICLE 14: ISSUANCE OF PURCHASE ORDERS THROUGH INTERLOCAL CONTRACTS

Through Interlocal Contracts, H-GAC offers governmental agencies and qualifying non-profit corporations the opportunity to participate in the H-GAC Cooperative Purchasing Program. Therefore, purchase orders may be executed by END USERS throughout the same. In addition, through Interstate Interlocal Contracts, the Program is now made available for possible participation by END USERS beyond Toxas.

ARTICLE 15:

SCOPE OF SERVICES

The services to be performed by CONTRACTOR are outlined within this Contract, Bid specifications, any Attachment, and Bid Response. Any Change Order shall be stated in complete detail and submitted by END USER to CONTRACTOR and copied to H-GAC. No verbal Change Order shall be accepted by CONTRACTOR from any END USER.

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ARTICLE 16:

THE COMPLETE AGREEMENT

This Contract consists of the Contract text stated herein, any Attachment, the Bid Specifications, including but not limited to Torms and Conditions, CONTRACTOR'S response, including but not limited to, prices and options offered all of which are incorporated within this contract, and shall constitute the complete agreement between the parties herein. Except as otherwise provided herein, this Contract cannot be modified without the written consent of both parties.

ARTICLE 17:

LIMITATION ON LIABILITY

CONTRACTOR understands and agrees that it shall be liable to repay and shall repay upon domand to END USER, any amounts determined by H-GAC, its independent auditors, or any agency of State or Federal government to have been paid in violation of the terms of this Contract.

Except for personal injury or death, CONTRACTOR'S total liability whether for breach of contract, warranty, negligence, strict liability in tort or ortherwise, is limited to the price of the particular products sold hereunder with respect to which either refund the purchase price, repair or replace product(s) that are not warranted. In no event will CONTRACTOR be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special, or consequential damages to the full extent such may be disclaimed by law.

ARTICLE 18:

TERMUNATION PROCEDURES

CONTRACTOR acknowledges that this Contract may be terminated under the following circumstances:

A. Convenience

H-GAC may terminate this Contract in whole or in part without cause at any time by written notice by certified mail to CONTRACTOR whenever for any reason H-GAC determines that such termination is in the best interest of H-GAC. Upon receipt of notice of termination, all services hereunder of CONTRACTOR and its employees and subcontractors shall cause to the extent specified in the notice of termination. In the event of termination in whole, CONTRACTOR shall propose final invoices within 30 calendar days of such termination reflecting the services actually performed which have not appeared on any prior invoice. Such invoices shall be satisfactory to the Executive Director or his designee. END USER will pay CONTRACTOR, in accordance with the terms and conditions of this Contract, for services actually performed and accruing to the benefit of END USER less any compensation previously paid. H-GAC, in accordance with the terms and conditions of this Contract, will invoice CONTRACTOR for any administrative fees due, and CONTRACTOR agrees to pay said fees.

CONTRACTOR may caused or terminate this Contract upon thirty (30) days written notice by certified mail to H-GAC. CONTRACTOR may not give notice of concollation after it has received notice of default from H-GAC. In the event of such termination prior to completion of this Contract provided for herein, END USER will pay CONTRACTOR, in accordance with the terms and conditions of this Contract, for services actually performed and accruing to the benefit of END USER less any compensation previously paid. H-GAC, in accordance with the terms and conditions of this Contract, will invoice CONTRACTOR for any administrative fees due, and CONTRACTOR agrees to pay said fees.

B. Default

H-GAC may, by written nodes of default to CONTRACTOR, terminate the whole or any part of this Contract in any one of the following circumstances:

- If CONTRACTOR fails to perform the services herein specified within the time specified herein or any
 extension thereof; or
- (2) If CONTRACTOR fails to perform any of the provisions of this Contract for any reason whatsoever, or so fails to make progress or otherwise violates this Contract that completion of services herein specified within the term of this Contract is significantly endangered, and in either of these two instances does not cure such failure within a period of ton (10) calendar days (or such longer period of time as may be authorized by H-GAC in writing) after neceiving written notice by certified mail of default from H-GAC.

In the event of such termination, all services of CONTRACTOR and its employees and subcontractors shall cease and CONTRACTOR shall prepare final involces reflecting the services actually performed pursuant to this Contract which have not appeared on any prior invoice. Such invoice must be satisfactory to the END USER and to the Executive Director of H-GAC or his designee. END USER reserves the right, in accordance with the terms and conditions of this

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Page 5 of 10

Contract, to withhold from the payment of said invoices for services actually performed and accruing to the benefit of END USER, as reflected on invoices, any compensation previously paid and any costs or damages incurred by END USER as a result of such default, including incremental costs that END USER will incur to have Purchase Order(s) completed by a person other than CONTRACTOR. H-GAC, in accordance with the terms and conditions of this Contract, will invoice CONTRACTOR for any administrative fees due, and CONTRACTOR agrees to pay said fees.

C. Liceasing required by Texas Motor Vehicle Division 1st applicable

CONTRACTOR will for the duration of this contract maintain current licenses that are required by the Texas Motor Vehicle Commission Code. If at any time during this contract period, any CONTRACTOR'S license is not renewed, or is denied or revoked, CONTRACTOR shall be deemed to be in default of this Contract unless the Motor Vehicle Division issues a stay or waiver. Contractor shall promptly provide copies of all current applicable Texas Motor Vehicle Division documentation to H-GAC upon request.

D. Final Billing In the Event of Termination

CONTRACTOR shall fill all pending orders and then prepare final invoices reflecting the services actually performed pursuant to this Contract and to the satisfaction of H-GAC'S Executive Director or his designee. END USER will pay CONTRACTOR, in accordance with the terms and conditions of this Contract, for services actually performed and accruing to the benefit of END USER less any compensation previously paid. H-GAC, in accordance with the terms and conditions of this Contract, will invoice CONTRACTOR for any administrative fees due, and CONTRACTOR agrees to pay said fees.

ARTICLE 19:

GOVERNING LAW & VENUE

This Contract shall be governed by the laws of the State of Texas. Venue and jurisdiction of any sait or cause of action arising under or in connection with this Contract shall the exclusively in Harris County, Texas.

ARTICLE 20:

CONTRACTOR'S REPRESENTATIVE

CONTRACTOR'S representative(s) shall be the contact person(s) concerning all matters pertaining to END USER orders. Any change of representation shall be immediately communicated in written form to H-GAC by CONTRACTOR.

END USER will remit all payments to CONTRACTOR under this Contract <u>Under no circumstances shall checks be made payable to a representative</u>. Should a representative submit invoices to END USER for reimbursement of costs relating to an END USER Prochase Order for products/services, the Invoice shall be forwarded to CONTRACTOR.

ARTICLE 21:

REPORTING REQUIREMENTS

Upon request by H-GAC, CONTRACTOR shall provide monthly written reports to H-GAC. Such reports may include, but are not limited to the following: detailing of all orders received, scheduled production, and scheduled delivery under this contract.

If CONTRACTOR fails to submit to H-GAC is a timely and satisfactory manner any report or other documentation required by this Contract, or otherwise fails to satisfactorily render performances hereunder, such failure may be considered cause for termination of this Contract.

ARTICLE 22: MOST FAVORED CUSTOMER CLAUSE

If CONTRACTOR, at any time during a contract period, routinely enters into agreements with other governmental outcomers within the State of Texas, and offers the same or substantially the same products/services offered to HeGAC on a basis that provides prices, warranties, benefits, and or terms more favorable than those provided to HeGAC, CONTRACTOR shall provide within ten (10) business days thereafter notify HeGAC of that offering. This Contract with HeGAC shall be deemed to be automatically amended and effective retroactively to the effective date of the most favorable contract, wherein CONTRACTOR shall provide the same prices, warranties, benefits, or terms to HeGAC and its END USER. HeGAC shall have the right and option at any time to decline to accept any such change, in which case the amendment shall be deemed stull and void. If CONTRACTOR is of the opinion that any apparently more favorable price, warranty, benefit, or term charged and/or offered a customer during the term of this agreement is not in fact most favorable price, warranty, benefit, or term charged small or offered a customer during the term of this agreement is not in fact most favored treatment, CONTRACTOR shall within ten (10) business days notify HeGAC in writing, setting forth the detailed reasons CONTRACTOR believes aforesaid offer which has been deemed to be a most favored treatment, is not in fact most favored treatment. HeGAC, after due consideration of such written explanation, may decline to accept such explanation and thereupon this Contract between HeGAC and CONTRACTOR shall be automatically amended, effective retroactively, to the effective date of the most favored agreement, to provide the same prices, warranties, benefits, or terms to HeGAC.

The Parties accept the following definition of routine: A prescribed, detailed course of action to be followed regularly; a standard procedure.

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Page 6 of 10

EXCEPTION: This clause shall not be applicable to prices and price adjustments offered by a bidder, or contractor, which are not within bidder's control [example; a manufacturer's bid concession], or to any prices offered to the Federal Government and its agencies.

ARTICLE 23:

INDEMNIFICATION

CONTRACTOR agrees, to the extent permitted by law, to defend and hold harmless H-GAC, the State of Texas, the United States Government and their respective board members, officers, agents, officials, and employees from any and all claims, costs, expenses (including reasonable attorney fees), actions, causes of action, judgments, and liens arising as a result of CONTRACTOR'S act or omission under this Contract, CONTRACTOR'S non-performance of this Contract, or CONTRACTOR'S violation of any law, regulation or other standard incorporated herein. CONTRACTOR shall notify H-GAC of the throat of lawsuit or of any actual soit filed against CONTRACTOR relating to this Contract.

PRODUCT SPECIFIC ARTICLES 24-39

ARTICLE 24 PROCEDURAL STEPS ENUMERATED FOR SALES TO END USERS

- All Cooperative Purchasing business will be processed in accordance with H-GAC's policies and procedures, at contracted prices, and shall include approved administrative fees.
- END USER will access the Cooperative Purchasing Program through the H-GAC website and by submission
 of any duly executed purchase order to a contractor having a valid contract with H-GAC and in a format
 acceptable to H-GAC.
- END USER will issue Purchase Order(8) directly to CONTRACTOR at contract prices, and also submit a copy to H-GAC.
- H-GAC will confirm each END USER Purchase Order and issue an "Order Confirmation" document, confirming the order to the contract, to the H-GAC CONTRACTOR, assigned manufacturer or dealer/distributor and to the END USER.
- CONTRACTOR must enter shipping and estimated delivery information on H-GAC's website.
 www.HGACBuy.com and systematically update the information prior to delivery. CONTRACTOR shall also
 use its best efforts to expedite product deliveries on shorter notice than set forth in its verification for any
 specific purchase order when requested.
- 6. The H-GAC CONTRACTOR, assigned manufacturer or dealer/distributor will deliver products/services as specified by the contract between CONTRACTOR and H-GAC, and invoice each END USER only after receipt of (1) H-GAC'S "Order Confirmation" document and (2) END USER'S Purchase Order. Contractor's invoice shall not predate cities the date of the END USER's purchase order or H-GAC's "order confirmation."
- 7. CONTRACTOR shall make product(s) available for acceptance, as specified in bid response, by END USER, ready for operation and in conformity with manufacturer's specified procedures, subject to CONTRACTOR'S ability to obtain product(s) from manufacturer in sufficient quantity of the type ordered, in the time specified, and subject to any other contingency beyond the control of CONTRACTOR. END USER acceptance shall be defined as the successful delivery and inspection of product by the END USER'S designee. All required equipment tests will be borne by CONTRACTOR.
- 8. END USER will take delivery of each product ordered immediately upon notice that pre-delivery preparation service has been completed by CONTRACTOR'S delivery agent and the product is ready to be picked up or to be delivered, provided that such product (new unless otherwise specified) is of the make and model ordered, coatains the equipment ordered, and is in good working order. CONTRACTOR shall be responsible for delivery and acceptance of by END USER.
- The H-GAC CONTRACTOR, assigned manufacturer or dealer/distributor will invoice each END USER for (1) products/services purchased and (2) H-GAC'S applicable administrative foc.
- Upon delivery, acceptance, and receipt of an H-GAC CONTRACTOR's, assigned manufacturer's or dealer's/distributor's properly documented invoice, END USER shall pay the H-GAC CONTRACTOR, assigned manufacturer or dealer/distributor the full amount of the invoice.
- H-GAC will invoice the H-GAC CONTRACTOR, assigned manufacturer or dealer/distributor for all H-GAC administrative fees at the time "order confirmation" is issued.

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Page 7 of 10

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12. Upon receipt of an H-GAC invoice, and delivery of a product/service by CONTRACTOR and acceptance by RND USER, H-GAC CONTRACTOR, assigned manufacturer or dealer/distributor will promptly, and in any case, within Thirty (30) calendar days or ten (10) business days after receipt of payment, whichever is less, pay H-GAC the full amount of the administrative fee invoice.

H-GAC reserves the right to invoice END USER for H-GAC's administrative fees.

- 13. For any payment past due, H-GAC reserves the right to collect its administrative fee in accordance with terms of the "Payment or Performance Bond." In addition, failure to promptly remit H-GAC's fees may result in sanctions including, but not limited to, contract termination.
- All prices are F.O.B. END USER'S location with all transportation charges prepaid and included in any invoice.
- 15. All pricing shall be based on the current contract unless the H-GAC CONTRACTOR, assigned manufacturer or dealer/distributor, prior to receipt of END USER's Purchase order for delivery of any products/services has received H-GAC's written approval for any price increases.
- 16. The H-GAC CONTRACTOR, assigned manufacturer or dealer/distributor agrees to accept the terms of this agreement and to conduct all transactions based on pricing and other terms of the contract including, but not limited to, the applicable H-GAC administrative fee. The CONTRACTOR agrees to encourage END USERS to execute authorizing Interlocal contracts with H-GAC. The fee shall be payable to H-GAC by the H-GAC Contractor, assigned manufacturer or dealer/distributor.

ARTICLE 25:

PRE-PAYMENTS AND DISCOUNTS

- Progress and pre-payment discounts offered by CONTRACTOR shall be fully disclosed to END USER by CONTRACTOR'S representative and subsequently listed on the END USER'S purchase order to CONTRACTOR.
- Discounts may be offered by CONTRACTOR based on similarly constructed products and quantity
 purchases. Discounts may be stated in either dollar amount or percentage and shall be applicable to
 CONTRACTOR defined number of similar units. CONTRACTOR shall be the sole source of determination
 as to similar designation.

ARTICLE 26:

LIABILITY INSURANCE

CONTRACTOR shall have the following insurance and coverage minimums in place; and shall provide proof of said insurance upon request by H-GAC.

General Hability \$1,000,000 per single occurrence
Product liability \$1,000,000 per single occurrence
Property Damage or Destruction \$ 500,000 per single occurrence

Insurance coverage shall be in effect for the length of this Contract and any extensions thereof, plus the number of months or days required to deliver any outstanding order after the close of this Contract. CONTRACTOR shall promptly notify H-GAC of cancellation or material changes in insurance coverage during this contract period.

ARTICLE 27:

COMPLETION AND LIQUIDATED DAMAGES

Under the terms of this Contract, CONTRACTOR certifies to complete delivery of equipment and accessories within the specified calendar days as listed on bid response and/or stated on each END USER purchase order counting from the date any relevant END USER purchase order is received by CONTRACTOR based upon the schedule provided by CONTRACTOR'S representative for each order. Delivery dates specified on purchase orders as negotiated between an END USER and CONTRACTOR'S representative shall take precedence over "specified calendar days".

CONTRACTOR agrees that time is of the essence in performance of this Contract. CONTRACTOR and H-GAC understand and agree that a breach of Contract, as to completion on time, will cause damage to H-GAC and its END USERS, and that such damages would be difficult or impossible to measure. Therefore, for each and every calendar day that equipment is set delivered beginning thirty one (31) days after the expiration of the time set in the END USER purchase order, END USER may withhold permanently from CONTRACTOR'S total compensation the sum of fifty dollars (550.00) per calendar day as liquidated damages, not to exceed the value of outstanding orders. In the case where END USER's purchase order contains a liquidated damages clause, END USER's purchase order will prevail. Assessment and/or collection of liquidated damages does not relieve CONTRACTOR of any responsibility to deliver products and/or services listed on the relevant END USER

H-CONTRACTS/Sweeport-Street, Airport Rusway & Commercial Industrial/SW04-04.7

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Sweepers-Street Airport Runway & Commercial Industrial

CONTRACTOR and H-GAC agree that the sum stipulated as liquidated damages is a reasonable estimate of the damage which will result to H-GAC and END USERS from failure of CONTRACTOR to deliver product and/or services in accordance with this Contract. The amount of liquidated damages shall be immediately due and payable upon demand.

CONTRACTOR shall document and immediately notify END USER and H-GAC of any conditions of Force Majeum that would cause exception to assessment of Liquidated Damage. [See Article 11: "Force Majoure"]

ARTICLE 28:

COMPLIANCE WITH BID SPECIFICATIONS

The Contract herein provides certain details emphasizing the intent of the bid specifications:

H-GAC shall hold CONTRACTOR responsible for the execution and effectiveness of all product warranty. H-GAC shall look only to CONTRACTOR as the sole source for solution to problems arising from warranty claims. CONTRACTOR agrees to respond directly to correct warranty claims and to ensure reconciliation of warranty claims that have been assigned to a third party.

Selection of Components:

CONTRACTOR shall determine the selection of quality components. Since durability and warranty provisions are an inherent consideration in the selection process, H-GAC and its END USERS subject themselves to a trust relationship with CONTRACTOR to deliver products and accessories that comply with standards set for the specified product detail in the bid specifications.

CONTRACTOR'S Default:

Should CONTRACTOR default in providing the equipment as specified in the specifications, and in this Contract. recourse may be exercised through the performance bond or other legal remedies.

Delivery to RND USER:

CONTRACTOR shall schedule delivery to END USER sites in coordination with the relevant END USER's site.

Accessories and Options:

All accessories and options offered by CONTRACTOR shall become part of this Contract.

ARTICLE 29:

PRICE CHANGES

No price increases shall be allowed during the first twelve (12) months of this Contract period. 1.

Any request for a price change must be submitted to H-GAC on CONTRACTOR'S letterhead, must be 2. signed by a corporate officer, and must be received by H-GAC at least forty five (45) calcular days prior to the requested effective date of the increase.

Price increase requests MUST be supported by documentation, acceptable to H-GAC, concerning 3. CONTRACTOR'S actual cost increase.

H-GAC reserves the right to accept or reject any price change request.

In cases involving contract extensions exceeding sixty-one (61) days beyond the stated expiration date of this Contract, CONTRACTOR may request a price change based on the same conditions as stated above. However, the forty-five (45) day prior notice is waived and H-GAC will consider the request immediately on receipt.

ARTICLE 30:

SUBSTITUTIONS AND DEVIATIONS

During this contract period or project implementation, it is understood that CONTRACTOR may, upon written agreement implement changes in the Products offered through this Contract, or substitute products of more recent technological designs. H-GAC and its END USERS shall determine whether such changes, modifications or substitutions will materially or adversely affect physical or functional interchangeability or performance.

ARTICLE 31:

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BLANKET PERFORMANCE BOND

A blanket Performance Bond in the amount of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) shall be submitted to H-GAC by CONTRACTOR before performance under this Contract. This bond shall be in effect for the length of this Contract plus the number of months/days required to complete delivery of any outstanding order after the close of this Contract.

HICONTRACTS/Sweepers-Street, Airport Runway & Cummandal Industrials W04-04.7

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ARTICLE 321

INSPECTIONS BY H-GAC

CONTRACTOR agrees to provide access to H-GAC authorized personnel for inspection of operating facilities and auditing of purchase orders during this Contract period, and for a period extending to the completion of any and all equipment ordered under the terms of this Contract. Site inspections shall be arranged not less than ten (10) calendar days before said inspections and shall state the name(s) of persons who will conduct the inspections. CONTRACTOR shall not incur expenses relating thereto.

ARTICLE 331

BID PRICES OFFERED BY CONTRACTOR

Pricing listed in CONTRACTOR'S Bid Response as stated on *Porms D through F* shall be applicable to all products, accessories and equipment ordered under the terms of this Contract. Additional discounts may be offered at the sole discretion of CONTRACTOR.

ARTICLE 34:

CHANGE ORDER PROVISIONS

Taxas statutes timit change orders to an amount not exceeding twenty-five (25%) of the bid price. A decrease of like amount is also provided. For the purpose of H-GAC procedures, the bid price includes the base bid amount and all priced options submitted with the bid response.

ARTICLE 35:

ORDER CANCELLATION

In the event CONTRACTOR is unable to deliver a product/service by the scheduled delivery date, and the delay is caused by factory production delays exceeding one hundred twenty (120) days from the delivery date set in the purchase order, said product/service shall be subject to possible cancellation by END USER.

CONTRACTOR shall notify END USER and H-GAC of any conditions of Force Majeure that might cause delay in delivery of products/services. [See Article 11: "Force Majeure"]

ARTICLE 36:

CHANGE OF OWNERSHIP

CONTRACTOR shall notify H-GAC of any material change in name, ownership or control. Such notification shall be supplied within ten (10) business days of such change.

ARTICLE 37:

NON-COMPLETE CLAUSE

CONTRACTOR'S published or unpublished options may not compete with another Contractor's base bid award.

ARTICLE 38:

HISTORICALLY UNDERUTILIZED BUSINESSES

H-GAC, acting on behalf of its END USERS to satisfy legislative requirements [Government code, Chapter 2161, Subchapter D], captures data relative to participation of HUB enterprises in furnishing of products/services through H-GAC contracts. In that regard, H-GAC will require CONTRACTOR to furnish data relative to any of its HUB subcontractors whose services are included in the CONTRACTOR'S contract with H-GAC. CONTRACTOR agrees to furnish such information when requested by H-GAC.

ARTICLE 39:

CONTRACT PERFORMANCE

CONTRACTOR must meet the following performance criteria at all times, and to H-GAC's complete satisfaction. Pailure to do so may be considered to be non-compliant performance and may result in contract termination at H-GAC's sole discretion.

- CONTRACTOR shall maintain sufficient qualified staff to process Purchase Orders, and to respond promptly by telephone, fax, and email.
- 2. CONTRACTOR shall participate in orientation and training as may be required by H-GAC.
- H-GAC reserves the right to request that a new Sales Representative be assigned to the contract (Bid Specifications, General Terms and Conditions).
- 4. CONTRACTOR shall provide toil free line(s) for access by H-GAC's End Users.
- CONTRACTOR will not in any manner whatsoever direct or encourage H-GAC End User Participants to
 purchase contracted items by any means other than through the H-GAC Contract.
- All Products/services sold and delivered will include all current manufacturer's standard features at no additional charge, and meet all H-GAC requirements and specifications in all respects.
- 7. Scheduled delivery dates will be met in all cases unless prevented by Force Majeure.

HaCONTRACTS\Sweepers-Serect, Aleger Runway & Commercial Industrials\wanter-rw.7

Schwerze Industries, Inc., Sig laidal:

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528-821-1123

Schwarze Indus

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ON THE PROPERTY OF THE	tios, shall become effective on the First day of April, 2004 and shall First day of March, 2006 at Midnight Central Time unless extended. Specifications numbered SW04-04. Terms and Conditions, and Article 1, are parts of this contract.
Signed for Houston-Galveston	a contraction of the contraction
Area Council, Houston, Texas:	Date: 2 2004
Attest for Houston-Galveston Area Council, Houston, Texas:	Klin
	Deidre Vick, Public Services Manager
	Date: May 25 2004
Signed for Schwarze Industries, Inc. Huntsville, Alabama:	C. KOBBIN HODGES
Print	ted Name & Title: 4th : Vice President - Finance
Attest for Schwarze Industries, Inc. Huntsville, Alabama:	Dave: MAY 24 2004
Printed	Name & Title: PRODUCT ONLY MENALTY
	Date: 124 20 04

HACONTRACTS/Swimpers-Street, Airport Runway & Commercial Industrials/9/4/04-04.7

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Attachment A

Schwarze Industries, Inc.

Sweepers-Street, Airport Runway & Commercial Industrial

Contract No.: SW04-04

Recommended Awardec(s)	Produc Code	t Manufacturer, Model and Description	Bid Price
		STREET SWEEPERS-PURPOSE BUILT	Price
Schwarze Industries. Inc.	AHE	Schwarze EV1 Fine Particulate Surface and Air Cleaner	275,000
Schwarze Industries, Inc.	AHF	Schwarze EV2 Fine Particulate Surface and Air Cleaner	225,000
STR	eet swi	EPERS-COMMERCIAL CAB/CHASSIS MOUNTED	
Inc.	ВНА	Schwarze A4000 Regenerative Air Street Sweeper	43,180
Schwarze Industries, Inc.	BAB	Schwarze A7000 Regenerative Air Street Sweeper	61,750
Schwarze Industries, Inc.	BHC	Schwarze A8000 Regenerative Air Street Sweeper	84,180
Schwarze Industries, Inc.	BHD	Schwarze A9000 Regenerative Air Street Sweeper	74,680
Schwarze Industries, Inc.	BHG	Schwarze M5000 Mechanical Street Sweeper	88,300
Schwarze Industries, inc.	внн	Schwarze M6000 Single Engine Mechanical Street Sweeper	89,420
Schwarze Industries, inc.	1	Schwarze M6000 Twin Engine Mechanical Street Sweeper	96,720
Schwarze Industries, nc.		Schwarze 348 LE Parking Area Sweeper	50.965
chwarze Industries, nc.		Schwarze 348-I Parking Area Sweeper	47,705
chwarze Industries, nc.		Schwarze 347-I Parking Area Sweeper	44,605
chwarze Industries,	 	Schwarze 343G Parking Area Sweeper	44,605
chwarze Industries, nc.		Schwarze 343D Parking Area Sweeper	44,605
chwarze Industries, c.		Schwarze PVII Slide In Parking Area Sweeper	15.900
chwarze Industries, c.		chwarze PVII Parking Lot Sweeper Trailer Mounted	17,100

Contract No. SW04-04

Sweepers - Street, Airport Runway & Commercial/Industrial Contract Period: April 1, 2004 to March 31, 2006

Click on the Type below to shortent to that section Street Sweepers_ Purpose Built

Street Sweepers - Commercial Cab/Chassis Mounted

Sweepers - Airport Rungyny

Sweepers - Commercial/Industrial, Riding

Sweepers - Commercial/Industrial, Walk-Rehind

Contractor Contacts

H-GAC_Staff_Contact

Note: The following prices are for "base units". For sweepers requiring a commercial cab-chassis, pricing is for the sweeper body only. Cab/chassis may be supplied by contractor or buyer. Please call the appropriate contractor for a GAC contract pricing quotation, including any required options and accessories.

Product Code	Model & Description	Base Price	Contractor
	Street Sweepers - Purpose Built		
	Back to Top		
ABA	Echo Model 100	\$81,452	Hi-Vac Cor
ABB	Echo Model 101	\$96,098	
ACC	Elgin Pelican P	\$103,890	Elgin
ACD	Elgin Pelican SE	\$109,141	Elgin Kinloch Equipn STM Equipme
ADB	Johnston Sweeper Co. 3000 20 MPH Mechanical Sweeper	\$95,148	
ADC	Johnston Sweeper Co. 4000 55 MPH Mechanical Sweeper	\$132,000	Johnston Sweepe
AEA	MadVac CS 500 Diesel Engine Compact Vacuum Street/Sidewalk Sweeper	\$76,400	Madvac, Inc
AHE	Schwarze EV1 Fine Particulate Surface and Air Cleaner	\$275,000	Schwarze Industric
AHF	Schwarze EV2 Fine Particulate Surface and Air Cleaner	\$225,000	Schwarze Industrie
	Street Sweepers - Commercial Cab/Chassis M	[armend	. Activative throughting
	Buck to Top	IDUNICU	
ВСА	Elgin Crosswind J Plus	\$71,870	Elgin Kinloch Equipa STM Equipme
ВСВ	Elgin Air Benr	\$94,899	Elgin Kinkeh Equipm STM Equipme
BCE	Rigin Engle F	\$104,386	Elgin Kinloch Equipm STM Equipme
BCF	Elgin Broom Bear	\$92,419	Elgin Kinloch Equipm STM Equipme
BCG	Elgin Road Wizard	\$103.076	Elgin Kinloch Equipm

https://www.hgacbuy.com/products/OutState/stweep.htm

3/21/2006

			STM Equip
ВСН	Elgin Geovac	\$94,949	Elgin
BCI	Elgin Whirlwind MV	\$89,301	Elgin Kinloch Equi STM Equip
BCL	Elgin Air Cub LX	\$43,708	Elgin Kinloch Equij STM Equips
ВСМ	Elgin Air Cub RX	\$ 44.2 71	Elgin Kinloch Equip STM Equipa
BDA	Johnston Sweeper Co. 770 Regenerative Air Sweeper	\$82.918	
BDF	Johnston Sweeper Co. 605 Vacuum Sweeper	\$89,228	Johnston Swee
BDG	Johnston Sweeper Co. 705 Vacuum Sweeper	\$109,000	Johnston Swee Johnston Swee
ВНА	Schwarze A4000 Regenerative Air Street Sweeper	\$45,691	Schwarze Industr
BHB	Schwarze A7000 Regenerative Air Street Sweeper		Schwarze Industr
ВНС	Schwarze A8000 Regenerative Air Street Seeeper		Schwarze Industr
BHD	Schwarze A9000 Regenerative Air Street Sweeper		Schwarze Industr
BHG	Schwarze M5000 Mechanical Street Sweeper		Schwarze Industr
BHH	Schwarze M6000 Single Engine Mechanical Street Sweeper		Schwarze Industr
BHJ	Schwarze M6000 Twin Engine Mechanical Street Sweeper		Schwarze Industr
ВНК	Schwarze 348 LE Parking Area Sweeper		Schwarze Industr
виц	Schwarze 348-1 Parking Area Sweeper		Schwarze Industr
ВНМ	Schwarze 347-I Parking Area Sweeper		Schwarze Industr
BHN	Schwarze 343G Parking Area Sweeper		Schwarze Industri
ВНО	Schwarze 343D Parking Area Sweeper		Schwarze Industri
BHP BHP	Schwarze PVII Slide In Parking Area Sweeper		Schwarze Industri
	Schwarze PVII Parking Lot Sweeper, Trailer Mounted		Schwarze Industri
RJA RJB	TYMCO Intr'l LTD Model 210 Regenerative Air Sweeper	\$32,145	TYMCO Intn'l
BJC	TYMCO Intn'l I,TD Model 210 SRE Regenerative Air Sweeper	\$36,000	TYMCO Inta'l
BJD	TYMCO Intn'l LTD Model 435 Regenerative Air Sweeper	\$41,980	TYMCO inta'i
BJE	TYMCO Intn'l LTD Model DST-4 Regenerative Air Sweeper	\$87,600	TYMCO Intn'i
BJF	TYMCO Intn'l LTD Model DST-6 Regenerative Air Sweeper	\$121.550	TYMCO Intn'I
BJH	TYMCO Intn'l L'TD Model 600 Regenerative Air Sweeper	\$63,900	TYMCO Intn'i
LL) II	TYMCO Intn'l I.TD Model 500x Regenerative Air Sweeper	\$111.985	TYMCO Inta'i
	Sweepers - Airport Runway		
	Back to Top		
CCJ	Crosswind FSX	\$73.911	Elgin Kinloch Equipm STM Equipme
сск	GRV - Glycol Recovery Vehicle	\$275,449	Figin Kinloch Equipm STM Equipme
CJG	TYMCO Intn'l L'ID Model 600 HSP Regenerative Air Sweeper	\$75,500	TYMCO Intn'l
	Sweepers - Commercial/Industrial, Ridin	g	
DBC	Back to Ton		
DBD	Echo Model 34D	\$24.763	Hi-Vac Corr
DBE	Echo Model 34E	\$25,134	Hi-Vac Corp
DBF	Echo Model 34 (ins/LP	\$27.022	Hi-Vac Corr
DBG	Echo Model 38D Echo Model 38E	\$32,923	Hi-Vac Corr
DBH	Echo Model 38 Gas/LP	\$34,001	Hi-Vac Corr
	POSITION AND DO CHANA IT	\$34.347	Hi-Vac Corr

https://www.hgacbuy.com/products/OutState/stweep.htm

3/21/2006

			Fx: 713-993-4
-	H-GAC STAFF CONTACT		
STM Equipment		000-6-5-6-6-5-6-8	
Kinkoch Equipme	tkinloch/@kinlochequip.com	800-231-6929 800-536-5902	Todd Kinlo Terry Mall
Elgin Sweeper Co	sybilridæelginsweeper.com		
	Elgin Sweeper Co. & Dealers:	612- 9 91-1746	Tom Sybili
Tymco			
Industrias Transpo	tymeosales/atymeo net	800-258-9626	Bobby John
Schwarze	rmassey/u schwarze.com		•
Madvac, Inc.	apollmueller/a/madvac.com	800-879-7933	Raymond Ma
Johnston Sweeper	. jbudde@johnstonsweeper.com	800-862-3822	Andreas Pollu
Hi-Vac Corp.	sales@hi-vac.com	909-613-5614	Jim Budd
Contractor	Email	Phone 800-752-2480	Richard Sa
	Contractor Contacts:	DL	Contact
•			
EEE	MadVae 61 diesel engme trailer brounted their economic		
EED	MadVac 61 diesel engine Skid Mounted Liter Collector MadVac 61 diesel engine Trailer Mounted Liter Collector	\$18,990	Madyae, In
EEB	MadVac PS-300 diesel engine Walk-behind Sidewalk Sweeper	\$18,250	Madyae, In
	ISACK TO COLL.	\$18,990	Madyac, In
	Sweepers - Commercial/Industrial, Walk-I	Dennia	
DEH	Collector	Pahind	
	MadVac 231D diesel engine 4-whl enclosed cab High Dump Liter	\$61,900	Madyac, Inc
DEG	MartVac 101 diesel engine ride-on 4-whi Liter Vacuum Collector	\$25,545	Madvae, Inc
DEF	24. (Va., 10) digget engine ride-on 3-whi Liter Vacuum Collector 1	\$24,950	Madvac, Inc
DEC	Simplest		
DBQ	Echo Model 50 Gas/LP MadVae PS-300 diesel engineWalk-behind Ride-on Sidewalk	\$19,975	Madvae, Inc
DBP	Echo Model 50E	\$43,374	Hi-Vae Cor
DBO	Echo Model 50D	\$43,640	Hi-Vac Corp
DBN	Echo Model 48 Gas/LP	\$42,361	Hi-Vae Corp
DBM	Echo Model 48E	\$42,595	Hi-Vac Corr
DBL	Echo Model 48D	\$43,552	Hi-Vac Corr
DBK	Echo Model 40 Gas/LP	\$41,141	Hi-Vac Corp
DBI	Echo Model 40D	\$37.130 \$38,240	Hi-Vac Corr
	1	\$37.130	Hi-Vac Corr

Note: Upon receipt of written dealer quotation, please address purchase orders to the name of the authorized dealer a a copy with the written quotation to E-GAC staff contact above.

Non-H-GAC Cooperative Purchasing Program member must enroll in the program, free of charge, before issuing put orders. The necessary document can be obtained with the following link:

Chek Here For Enrollment Form

Top of Page

3/21/2006